

 **LTK** x  **Northwestern University**

The *next wave* of Creator marketing

LTK in partnership with Northwestern University's Retail Analytics Council

August 2023 Brand Survey

And the 2023 predictions played out..

Through **thousands of direct brand and retailer conversations**, LTK saw our report from Q1 of 2023 come to life:

01 The surge of short-form video content



✓ 2X LTK Video posts in Q1-Q3 of 2023 compared to Q1-Q3 of 2022

02 Gen Z Strategy - the Always-On Disruptors



✓ Gen Z creators have had the highest increase in casting compared to all other generations

03 Scaled Influence through Retail Media Networks



✓ Double digit growth in the # of retailers running Retail Media campaigns, Retail Media campaign spend, Retail Media campaigns, and Retail Media collabs

04 Influencer Generated Content (IGC) at the core



✓ Hundreds of thousands of links published monthly

05 Created Guided Shopping as a means for search



✓ Since 2021, the # of shoppers using search on LTK has more than doubled



Get personal. Scale faster.

The first and largest curated Creator network.



LTK empowers 30M consumers

to be their personal best from Creator recommendations they trust most, more than ads or celebrities*, scaling brand adoption faster than social ads to **\$4B** in trackable sales.

3.5X

Conversion on LTK vs. Social

2X

Scale Creator reach by LTK Consumers**

#1

Trusted over ads and celebrities

12

Years Proprietary Data for unique insights

LTK consumers are:

Early Majority

\$100K+ HH Income

Higher Education

Major/Mid Metros

Home and Family Splurgers

Highly Influential on Social Media

LTK gets personal to reach tipping point *faster*.

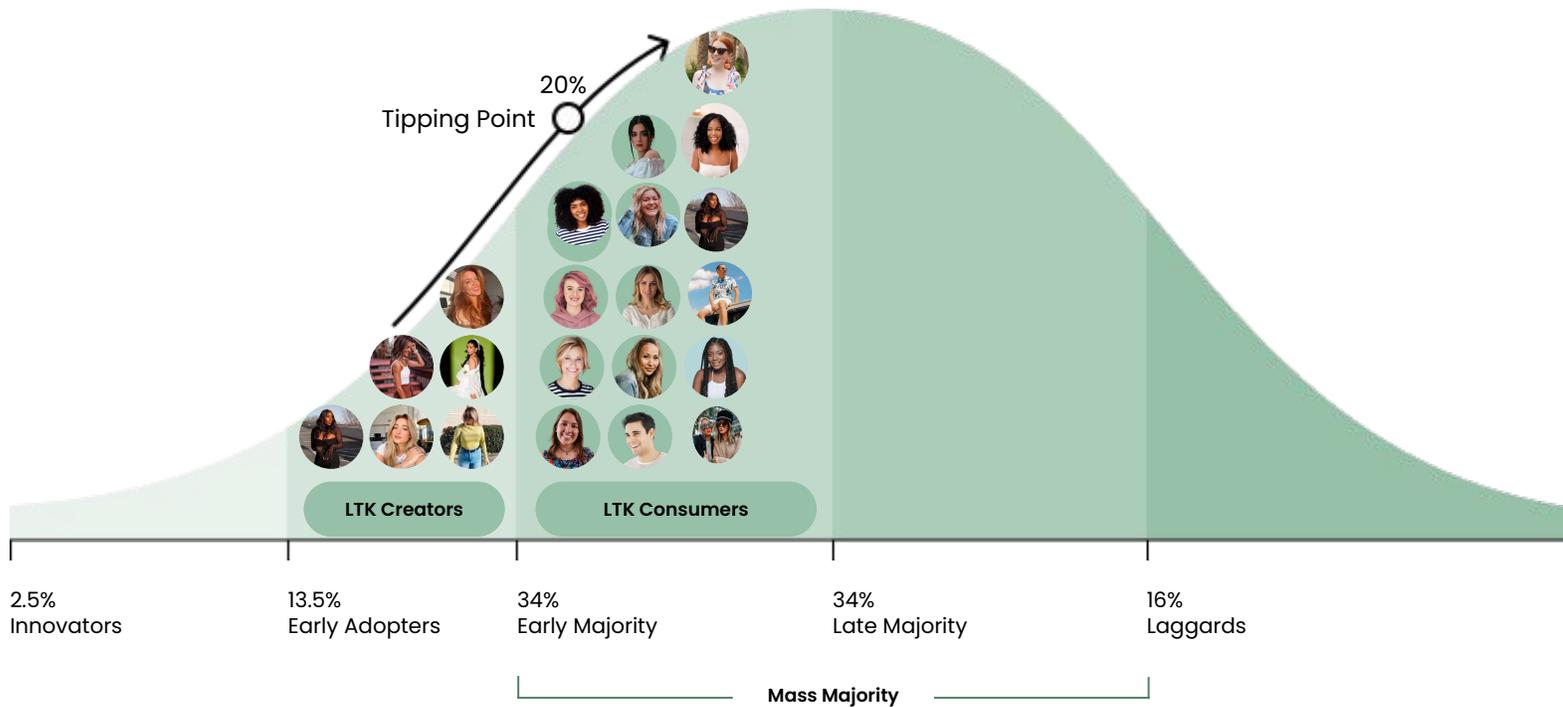
Scale faster.

LTK's 30M Consumers are the "Early Majority" who share Creator posts, scaling their audiences 2X to reach the tipping point faster.



"Adoption scales faster at 20%."

The Diffusion of Innovation Theory, E.M. Rogers, PhD, 1962

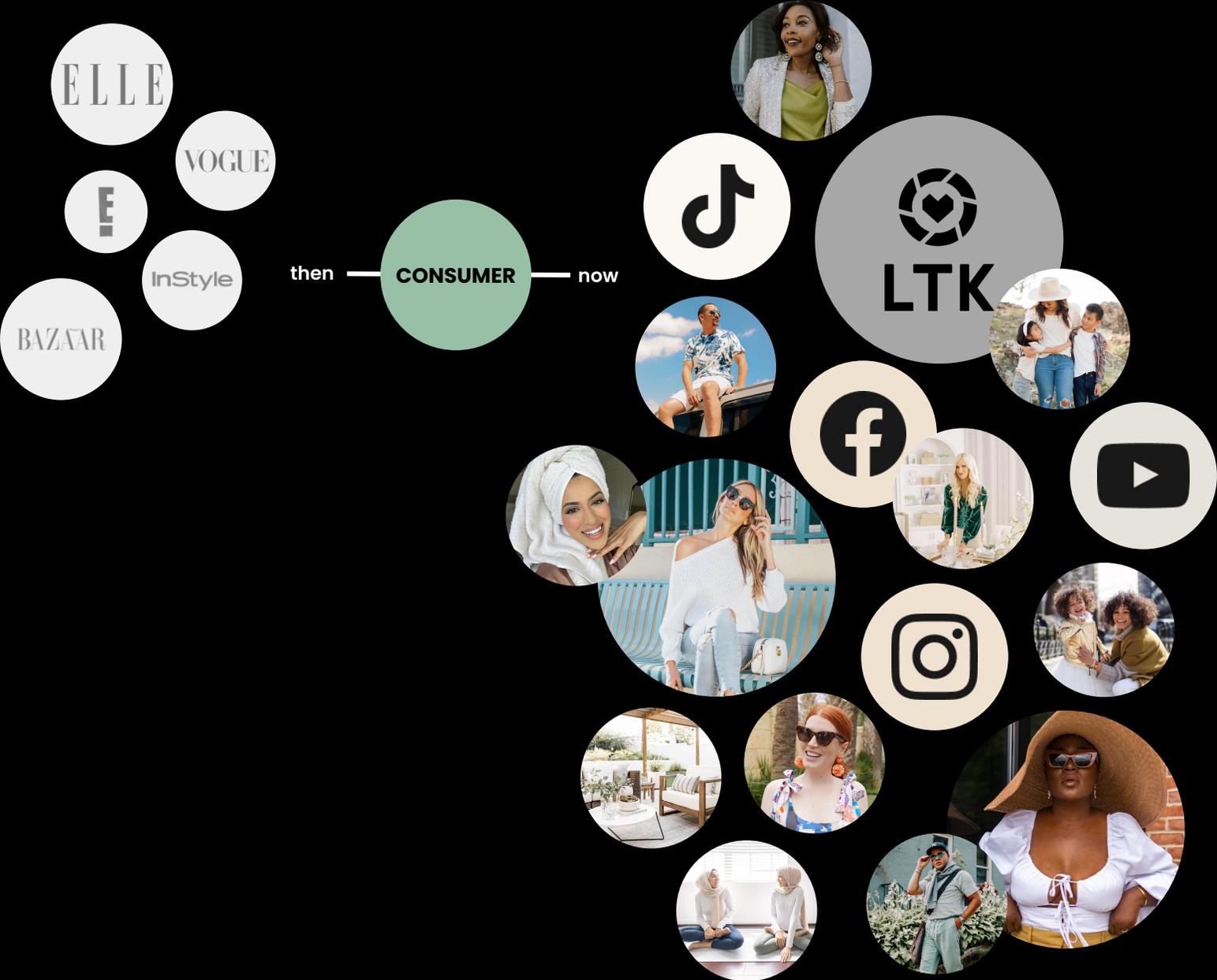


*LTK Holiday Shopper Study 2023 **LTK Influential Shopper Study 2021



Our relationship with Media has evolved

Widespread proliferation of content across constantly emerging platforms disrupted traditional media consumption.



Brand study methodology

This report summarizes key findings related to the a study conducted by LTK in collaboration with Northwestern University.

METHODOLOGY

Brand survey conducted on August 23–25, 2023, with 164 participants who are marketing leaders and decision makers that have invested in Creator marketing in the last 12 months.



X



Northwestern University

94%

Decision Makers

79%

Ultimate Decision Makers

70%

Over \$500M in Annual Revenue

52%

Over \$1B in Annual Revenue

Marketing leaders spanning industries

27%

Fashion Brands

27%

Beauty Brands

23%

CPG Brands

21%

Service Brands

10%

Home Brands

19%

Other Brands

All brands invested in Creator marketing in the last 12 months

** brands may represent multiple industries*

Brands and Consumers agree that Creators are the most trusted

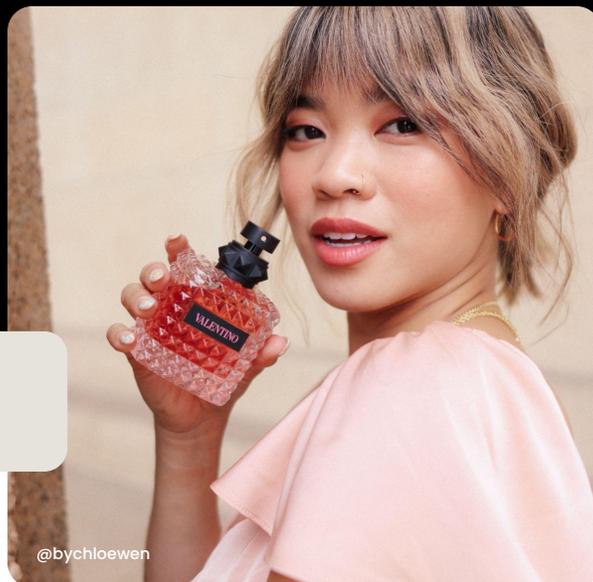
Gen Z & Millennials consistently rank creators as **most trusted** for shopping recommendations.

LTK has watched this trend increase over time through multiple consumer surveys.

And the majority of surveyed brands agree:



55% of brands say consumers trust Creators the most compared to social media ads and celebrities.



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The integration of Creator

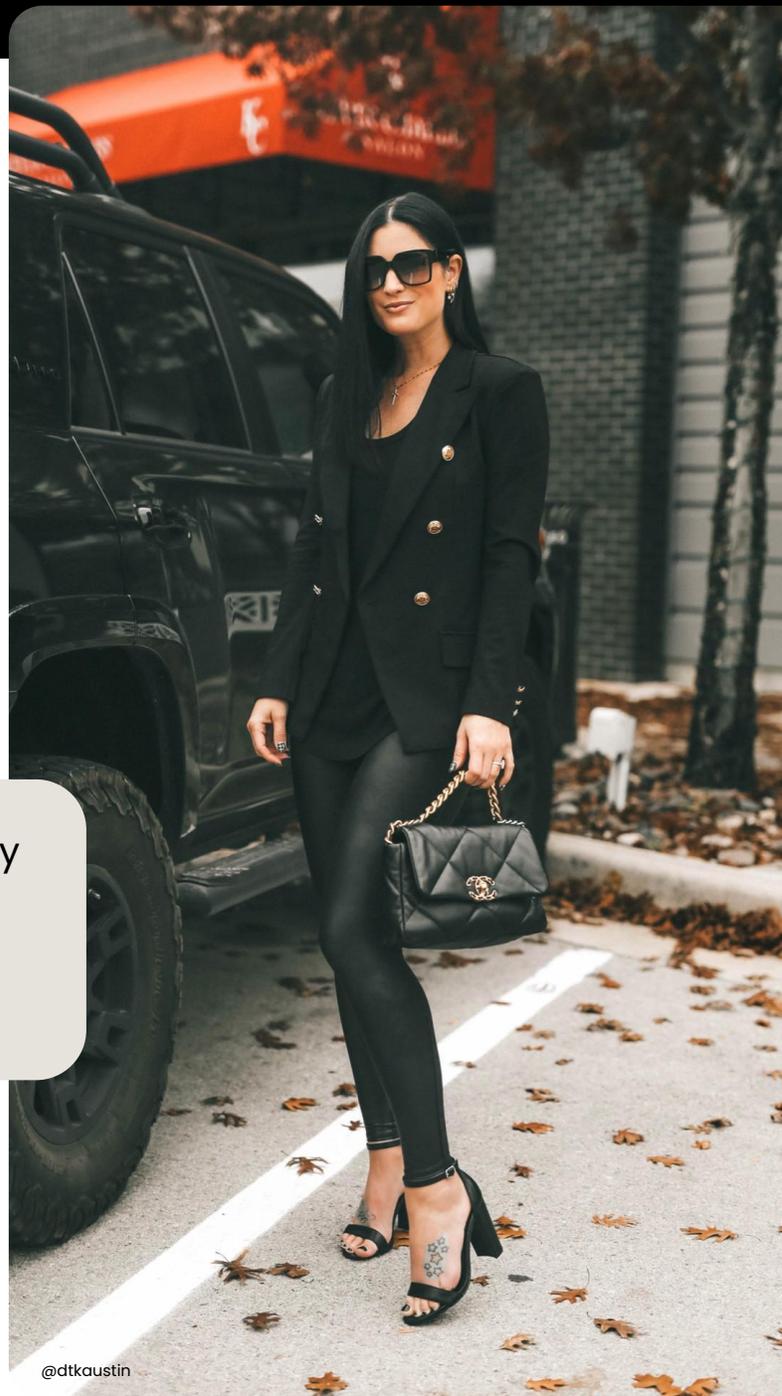
INSIGHT #1

Creator marketing budgets growing quickest

When stacked against other channels, Creator marketing ranks #1 for investment growth, *beating out channels like paid search and paid social*

2024 Brand Forecast: 92% of brands say Creator marketing will have a higher budget or play an increased role in strategy in 2024

* based on the % of brands planning to increase investment in the next year



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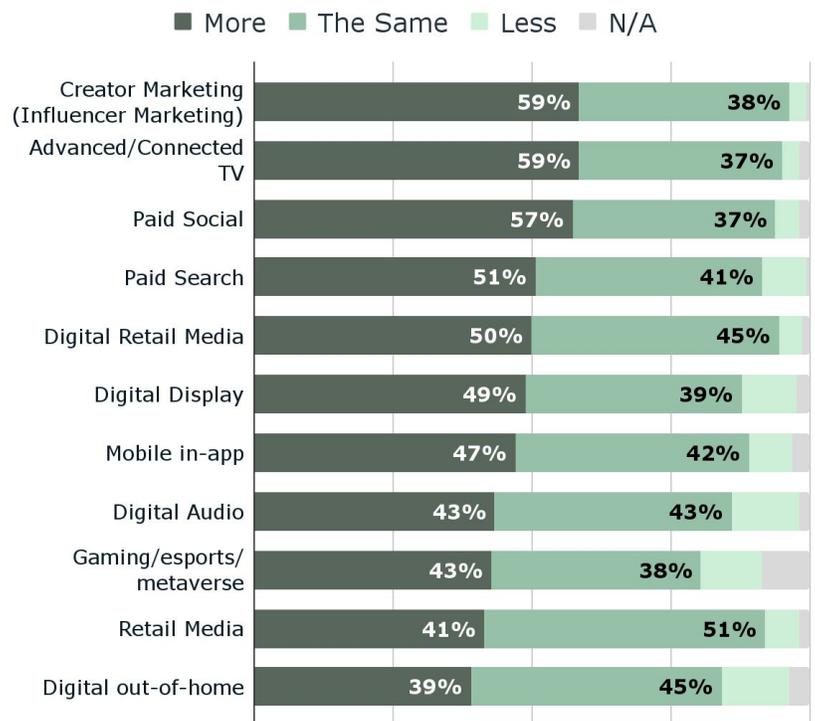
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INSIGHT #2

CMOs investing in Creator with funds from other practices

CMOs are **using Earned Media Value (EMV)** as justification to **increase Creator marketing budgets** funded from Digital Advertising, Email and Owned Social Media Marketing.

Spend in 2023



Source: LTK / NW Study August 2023

Top three sources for Creator marketing budget increase



76%
of respondents selected



48%
of respondents selected



42%
of respondents selected

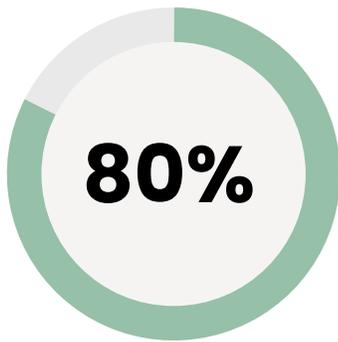
Source: Creator IQ Study August 2023

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INSIGHT #3

Creator marketing budgets outpace other digital channels



of brands increased Creator budgets in 2023

More brands plan to increase spend on Creator marketing compared to other channels:

+16%

Compared to Paid Search

+2%

Compared to Paid Social

+20%

Compared to Digital Display



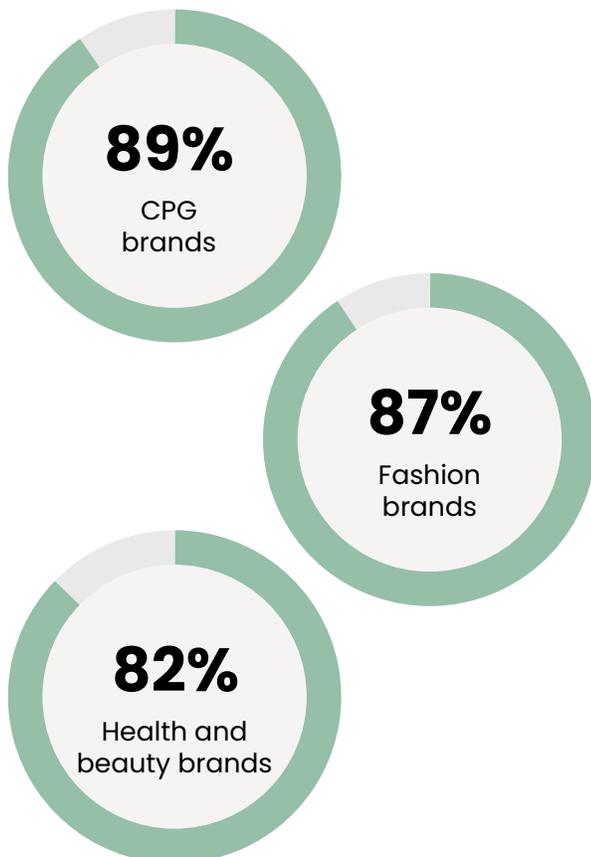
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INSIGHT #4

CPG, Fashion and Beauty brands outpace Creator marketing investment to others

% that increased creator marketing investment in 2023



@camillestyles

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36%

**of surveyed brands
spend at least half of
their digital marketing
budget on Creators**

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INSIGHT #5

Brands and Retailers solving full funnel challenges

What challenges is your organization working to solve?

Increasing repeat purchases or basket size

Brand or product recognition

Loyalty

Expand consideration to a new category or audience

Retention



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INSIGHT #6

Creator strategies drive positive business impact

Creators are driving full funnel marketing for brands



51%

Fashion brands say that Creators improved their brand perception

45%

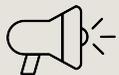
Beauty brands say that Creators improved their brand perception

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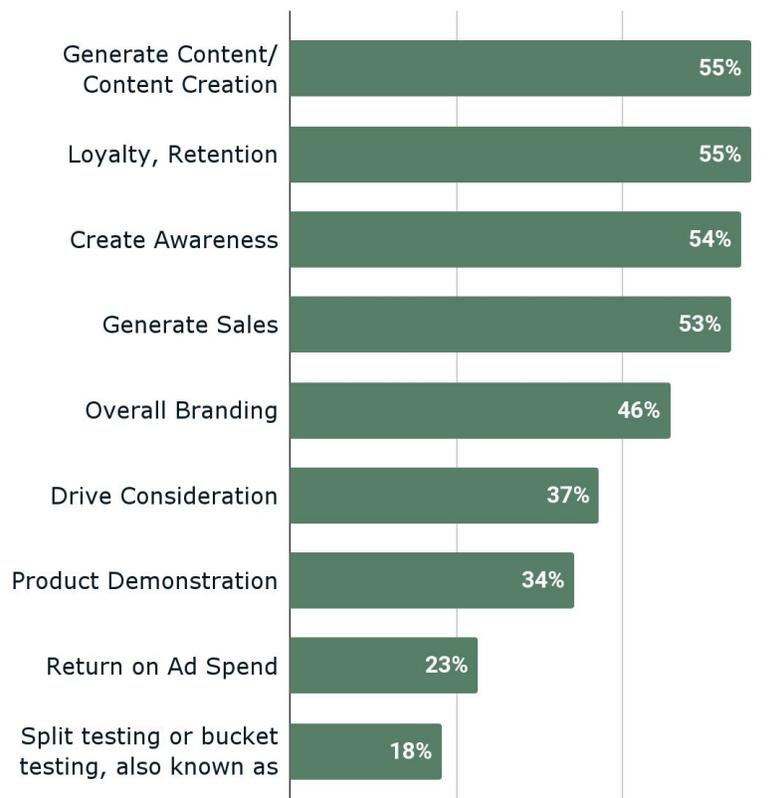
INSIGHT #7

Generating content and driving loyalty are most important Creator goals



Each brand averages 3.8 goals when running creator campaigns

Most important Goals for Creator campaigns



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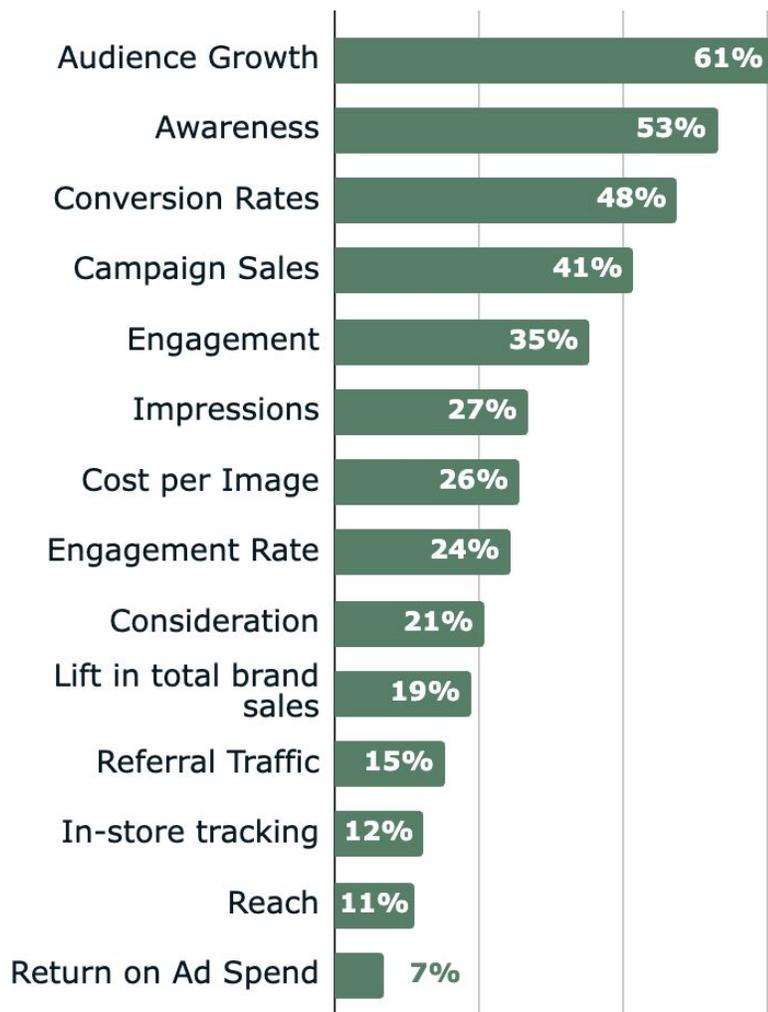
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INSIGHT #8

Audience Growth and Awareness are most important Creator metrics

Most important Metrics for Creator campaigns



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INSIGHT #9

Brands working with Creator across departments

Top departments that work with Creators

01 Marketing & Social

02 Brand

03 Media

04 Shopper Marketing

05 Affiliate

06 PR



3.2 Avg # of departments that use creators within each organization

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INSIGHT #10

Creators help brands drive innovation with emerging technologies



AI

84% of brands currently invest in **AI** to sell their products online

90% plan to invest in AI to sell their products online **in 2024**



Live Streaming

92% of brands plan to incorporate **live streaming** into **creator programs** in the next year



Boosting

78% of brands use Creator Content in **Social Media Ads**

Top boosting channels include:

Instagram
Facebook
YouTube

Strategies from winning Brands

Surveyed Brands that are increasing spend in 2024 and have Creator as a top spend tactic



Ranking of industries

1

CPG Brands

2

Beauty Brands

3

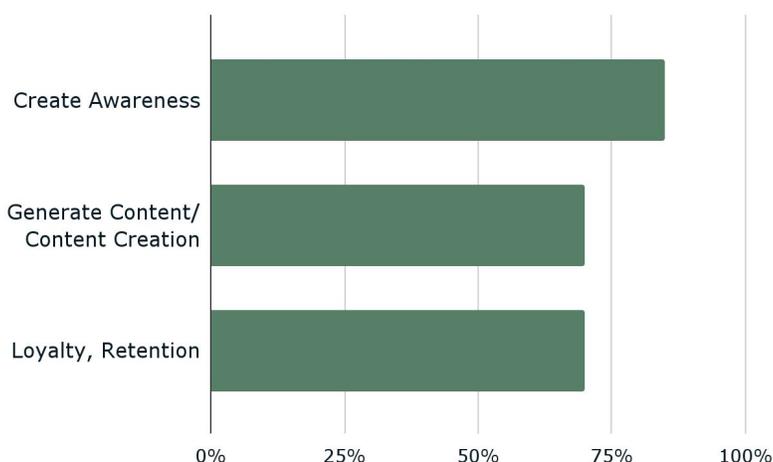
Fashion Brands

65%

\$5M-\$20M Creator Marketing Budget

Winning Brands prioritize awareness goals

Creator Marketing Campaign Goals



85%

of brands who are leaning into creator marketing have Create Awareness as a campaign goal

+70%

compared to other brands

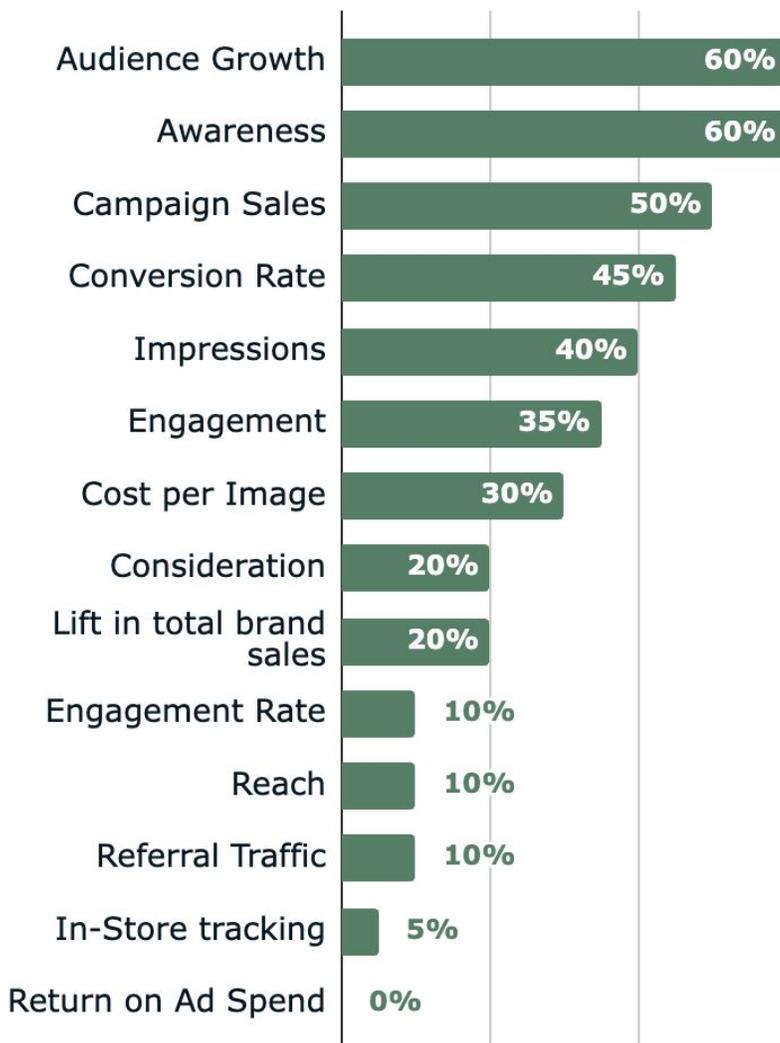
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Winning Brands focus on upper funnel metrics



Most important Metrics for Creator campaigns

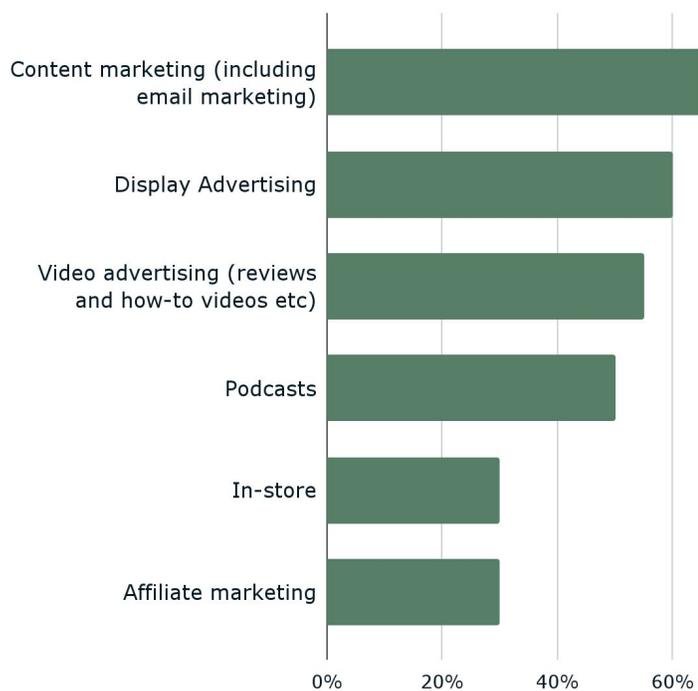


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Winning Brands use Creator content across digital channels

Marketing channels where brands use creator content



@beautylookbook

65% use Creator Imagery in Content Marketing

The next wave of Creator marketing

- 1 Brands and Retailers are investing more than ever in Creator building their brand
- 2 Creator is the top in investment growth and is funded from Digital Advertising, Email and Owned Social Media Marketing
- 3 Brands are hyper-focused on growing their audience through Creator, which in-turn grows brand awareness, customer lifetime value and improves brand perception
- 4 Through new technology, additional opportunities to innovate with Creators will emerge, which will grow the number of internal departments working with Creators





Creator Guided Shopping™

Thank you!

View our On-Demand Webinar!

<https://company.shopltk.com/wbn-2024-forecast>

Contact us

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